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FOLLOWING REPEAT ALGIERS 1640 SENT ACTION SECSTATE DTD 21 JUL QUOTE:
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SUBJ:
OOINSON MEETING WITH BOUMEDIENE
FOLLOWING IS VERBATIM ACCOUNT OF ROBINSON
BOUMEDIENE CONVERSATION OF JULY 21
1. TOUMEDIENE: WELCOME.
2. ROBINSON: I AM HAPPY TO BE HERE. I BRING THE GREETINGS OF THE PRESIDENT AND SECRETARY KISSINGER. I AM PLEASED TO HAVE THE OPPORTUNITY TO MEET WITH YOU AGAIN. MANY CHANGES HAVE CONFIDENTIAL
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OCCURRED SINCE MY LAST VISIT IN FEBRUARY. I HAD THE EXPERIENCE

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OF WORKING TOGETHER WITH YOUR REPRESENTATIVES IN PARIS AT THE APRIL PRODUCERS-CONSUMERS CONFERENCE, OUT OF THAT CAME BETTER UNDERSTANDING OF YOUR POSITION AND YOUR DESIRES. WE DEVELOPED A BETTER RECOGNITION ON OUR PART OF THE FUNDAMENTAL PROBLEMS WHICH WE MUST ADJRESS IN DEVELOPED-DEVELOPING COUNTRY RELATIONSHIPS. WE IN THE UNITED STATES HAVE BEEN WORKING HARD TO EXAMINE OUR POSITION WITH REGARD TO DEVELOPING COUNTRIES AND THE GENERAL PROBLEM OF COMMODITIES AND OTHER RESOURCES. YOU HAVE SEEN THE RESULTS OF OUR ANALYSIS IN SECRETARY KISSINGER'S SPEECHES IN KANSAS CITY AND PARIS. IN ADDITION. WE HAVE MADE EVERY EFFORT TO FIND MEANS OF RESUMING THE DIALOGUE BEGUN IN PARIS IN APRIL. I HAVE BEEN TRAVELLING TO KEY COUNTRIES WHICH PARTICIPATED AT PARIS, AND I HAVE COME HERE TO SHARE WITH YOU THE IDEAS WHICH WE HAVE DEVELOPED IN THOSE CONSULTATIONS. I HAVE MET WITH YOUR MINISTER OF INDUSTRY AND ENERGY THIS MORNING AND WILL MEET WITH HIM AGAIN THIS AFTERNOON. WE WILL EXAMINE IN DETAIL ALL ASPECTS OF THE PROBLEM.

- 3. IN SUMMARY WE FORESEE A GOOD POSSIBILITY OF RESUMING THE DIALOGUE VERY PROMPTLY. RESUMPTION OF THE MEETING OF TEN COULD TAKE PLACE SOME TIME IN EARLY OCTOBER. AT THAT MEETING WE WOULD AGREE TO EXPAND THE CONFERENCE TO 27--WHICH WOULD BE AT MINISTERIAL LEVEL--BEFORE THE END OF THE YEAR TO LAUNCH THREE COMMISSIONS. THE COMMISSIONS WOULD BE ON ENERGY, OTHER RESOURCES, AND RELATIONS WITH DEVELOPING COUNTRIES.
- 4. BOUMEDIENE: WOULD THE GROUP OF 27 LAUNCH THE COMMISSIONS, OR THE 10°
- 5. ROBINSON: THE 27 WOULD LAUNCH THE COMMISSIONS. THEY WOULD MEET BEFORE CHRISTMAS. THIS IS THE BASIC PLAN I WILL DISUCSS WITH YOUR MINISTER, AND OF COURSE BILATERAL ISSUES AS WELL. I WILL BE GLAD TO ANSWER ANY QUESTIONS DEALING WITH THIS ISSUE OR BILATERAL PROBLEMS.
- 6. BOUMEDIENE: WHAT ARE THE RESULTS OF YOUR CONSULTATIONS WITH OTHERS?
- 7. ROBINSON: IRAN, SAUDI ARABIA, VENEZUELA, BRAZIL AND CONFIDENTIAL

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REPRESENTATIVES OF JAPAN AND THE COMMUNITY WHO WERE AT THE PARIS MEETING ALL AGREED ON THE BASIC PLAN THAT WE DISCUSSED WITH THEM. ALL AGREED THAT THE PREPCON COULD BE RECONVENED BASED ON THIS PLAN.

- 8. BOUMEDIENE: WHAT WAS THE POSITION OF THE EC AND GERMANY?
- 9. ROBINSON: I DID NOT TALK TO THE GERMANS BUT MY UNDERSTANDING

IS THAT THEY ARE IN AGREEMENT WITH THE PLAN I HAVE OUTLINED. THE EC REPRESENTATIVES WERE AGREEABLE.

10. BOUMEDIENE: I SEE THINGS ARE MOVING A LITTLE. IN MY OPINION THIS IS SOMETHING POSITIVE. OF COURSE, I WON'T SAY THAT ALL THE PROBLEMS ARE SETTLED, BUT YOU ARE BEGINNING A DIALOGUE AND THIS IS A GOOD THING. THE MEETING AT PARIS WAS NOT A NEGATIVE ONE. I THINK WE SETTLED SOME BASIC DIFFERENCES AND IT CERTAINLY ALLOWED US TO HAVE A BETTER UNDERSTANDING OF THE PROBLEMS THEMSELVES. PROBLEMS EXIST BETWEEN THE DEVELOPING COUNTRIES AND THE DEVELOPED COUNTRIES AND BOTH SHARE SOME RESPONSIBILITY. WE CANNOT GO TOO LONG WITHOUT DOING ANYTHING. WE MUST MOVE IN THIS FIELD. PROBLEMS OF ENERGY, RAW MATERIALS AND DEVELOPMENT ALL RELATE TO ONE ANOTHER. WE THINK THAT YOUR DEVELOPMENT AND WELL BEING IS BENEFITED BY PROGRESS IN THE THIRD WORLD. IF WE DON'T HAVE ANY MONEY, WE CAN'T BUY YOUR EQUIPMENT. WE THINK THAT THE U.S. MARKET, EUROPE AND JAPAN ARE NOT LARGE ENOUGH TO USE ALL THE EQUIP-MENT AND PRODUCTS THEY PRODUCE AND THAT YOU THEREFORE NEED OTHER MARKETS, YOU NEED AFRICA, ASIA AND LATIN AMERICA TOO. IF WE FIND THE SOLUTION TO THE PROBLEM OF RAW MATERIALS, WE WILL GIVE THE THIRD WORLD ADDITIONAL BUYING POWER. EVEN THE MONEY OF THE OIL PRODUCERS IS MELTING UNDER THE SUN LIKE BUTTER.

11. THAT IS WHY WE ARE PLEASED BY THIS INITIATIVE. WE ARE PLEASED ESPECIALLY BECAUSE IT COMES FROM YOU. IF YOU PUSH TOWARD SUCCESS IT WILL SUCCEED. IF YOU PUSH IN THE OPPOSITE WAY, IT WILL MOVE IN THE OPPOSITE WAY. THE UNITED STATES IS A BIG PRODUCER OF RAW MATERIALS WITH CANADA. THIS DOES NOT PLEASE THE EUROPEANS OR THE JAPANESE OR OTHER COUNTRIES. BEING A PRODUCER OF RAW MATERIALS IS IN YOUR INTEREST AS IT IS IN THE INTEREST OF THE SOVIET UNION. CONFIDENTIAL

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12. I ASK YOU TO TAKE INTO CONSIDERATION OUR DIFFICULTIES. IN THE END INDUSTRIALIZED COUNTRIES CANNOT LIVE ISOLATED IN A SEA OF POVERTY. I AM NOT GIVING MORAL LESSONS. THESE ARE POLITICAL FACTS. NOW YOU ARE AT THE END OF SOME OF YOUR DIFFICULTIES, ESPECIALLY INDOCHINA, AND YOU CAN PLAY A DYNAMIC ROLE IN THE FIELD OF RELATIONS WITH DEVELOPING COUNTRIES. I THINK WE CAN REACH AGREEMENT WITHIN A GROUP OF 27. IT WOULD BE GOOD IF THESE PROBLEMS COULD BE SETTLED WITHIN THE GROUP OF 27. WE CAN PROVE THAT THE INTEREST OF THE OIL PRODUCERS AND THE OTHER COUNTRIES IS NOT REALLY IN CONFLICT.

13. TODAY THE PRICEOF THE DOLLAR IS GOING UP, WHEREAS IT WAS VERY LOW YESTERDAY. BUT, OF COURSE, ALGERIA HAS NO

PROBLEM OF DOLLARS TO MOVE FROM ONE CONTINENT TO ANOTHER. WITHIN THE GROUP OF 10 AND THE GROUP OF 27 WE WILL DEAL WITH MANY ISSUES. FOR INSTANCE, WE STILL HAVE THE PROBLEM OF INFLATION. IN FACT, WE ARE THINKING OF TRYING TO MAKE THIS UP THROUGH INCREASED OIL PRICES, WITHIN REASONALBE LIMITS. WHAT IS YOAR OPINION ABOUT THE PRICE OF OIL. AS I UNDERSTAND IT NOW THE NEW PRICE OF OIL IN THE UNITED STATES IS GOING TO BE \$14 THROUGH MEASURES YOU HAVE TAKEN. WE DON'T WANT ANY NEW CONFRONTATION IN THIS FIELD. ALL WE WANT TO ACHIEVE IS A SOLUTION IN THE MUTUAL INTEREST.

14. ROBINSON: WE ARE ALL AWARE THAT PRODUCERS HAVE A PROBLEM BECAUSE OF INFLATION. WE APPRECIATE THE PROBLEM, BUT AT THE SAME TIME WE HAVE SEEN THAT OTHER PRODUCERS ALSO ARE ENCOUNTERING PROBLEMS. THE PRICE OF COPPER HAS DROPPED FROM \$1.10 TO \$.55 PER POUND. U.S. AGRICULTURAL EXPORTERS HAVE SEEN THEIR WHEAT EXPORTS DROP IN PRICE FROM \$6 PER BUSHEL TO LESS THAN \$3 PER BUSHEL. ALL COMMODITIES HAVE FALLED IN THE PAST 18 MONTHS, SOME BY A LARGE MARGIN. IT IS DIFFICULT TO SEE HOW YOU CAN JUSTIFY THE PRICE OF OIL GOING UP TO THOSE WHO HAVE HAD THE PRICE OF THIR PRODUCTS FALLING.

15. BOUMEDIENE: WILL THE PRICE OF WHEAT BE HIGH AFTER THE SOVIETPURCHASES?

16. ROBINSON: THEY WILL BE UP BY SOME AMOUNT BUT WE HAVE A LARGE CONFIDENTIAL

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CROP THIS YEAR AND WE HOPE THAT THE SOVIET PURCHASE CAN BE ACCOMMODATED WITHOUT A LARGE PRICE RISE. WITH REGARD TO THE PRESENT ECONOMIC SITUATION AND THE PRICE OF OIL, THE UNITED STATES HAS (ONLY) JUST BEGUN TO SHOW SIGNS OF RECOVERING FROM OUR RECESSION. THE PICK UP IS NOT VERY STRONG. AND THE REST OF THE INDUSTRIALIZED WORLD IS STILL IN A RECESSION. IT IS VERY SERIOUS IN FRANCE, GERMANY, THE U.K. AND ITALY AND IT IS VERY DIFFICULT FOR ANY DEVELOPED COUNTRY TO RECOVER IF THE REST ARE STILL EXPERIENCING DIFFICULTIES. WE ARE EXTREMELY CONCERNED THAT AN INCREASE IN THE PRICE OF OIL WILL HAVE A VERY NEGATIVE IMPACT ON ECONOMIC CONDITIONS AND PROLONG AND WORSEN THE RRECESSION THAT WE HAVE ALL BEEN THROUGH.

17. BOUMEDIENE: SHALL WE TALK ABOUT BILATERAL RELATIONS?

18. ROBINSON: FROM MY POINT OF VIEW, I HAVE GAINED A GREAT SENSE OF CONFIDENCE IN THE FUTURE OF YOUR ECONOMY. I HAVE BEEN IMPRESSED WITH THE QUALITY OF YOUR OFFICIALS AND THEIR CAPABILITY OF DEALING WITH YOUR PROBLEMS. I AM ALSO PLEASED THE TRADE BETWEEN THE TWO COUNTRIES HAS CONTINUED TO GROW. WE HAVE BOUGHT \$1.0BILLION WORTH OF OIL FROM YOU

THIS PAST YEAR AND WILL BUY \$1.5 BILLION IN THE COMING YEAR YOU BOUGHT ABOUT \$500 MILLION WORTH OF U.S. PRODUCTS DURING THE PAST YEAR.

19. THE AMBASSADOR: THAT MEANS A PROFIT FOR ALGERIA OF \$1 BILLION.

20. BOUMEDIENE: WE DO EXPORT A GREAT DEAL OF GAS AND OIL TO THE UNITED STATES AND IMPORT EQUIPMENT FROM YOUR COUNTRY. WE DO HOWEVER HAVE A PROBLEM WITH THE ARZEW LIQUEFACTION PLANT. THE FIRM WHICH IS BUILDING THE PLANT (CHEMICO) SEEMS TO BE LOOKING FOR A CONFRONTATION AND MAY NOT HONOR ITS CONTRACT. THIS IS SOMETHING LIKE BLACKMAIL--GIVE US THE MONEY OR WE LEAVE THE PLANT AS IT IS. WE WOULD LIKE TO AVOID THIS SORT OF SITUATION. IT WILL HAVE A BAD EFFECT ON INTERNAL ALGERIAN OPINION AND BE USED BY THOSE WHO SAY THAT BY CONTRACTING WITH THE U.S. WE ARE DOMINATED BY U.S. IMPERIALISM. THE PLANT IS VERY IMPORTANT TO US BECAUSE IT INVOLVES THE LIQUEFACTION OF NATURAL GAS, WHICH WE WILL EXPORT TO YOU.

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- 21. ROBINSON: I WILL DISCUSS THIS WITH THE AMBASSADOR AND FOLLOW UP SO THAT I CAN GET A BETTER UNDERSTANDING OF THE PROBLEM. I DON'T HAVE ALL THE FACTS AT THIS POINT.
- 22. I AM ALSO PLEASED TO NOTE THE INCREASING NUMBER OF FIRMS IN THE U.S. PRIVATE SECTOR WHO ARE BECOMING INVOLVED IN YOUR DEVELOPMENT PROCESS.

 THE EXPORT IMPORT BANK IS SHOWING A CONTINUED INTEREST IN YOUR DEVELOPMENT PROGRAM. I MET WITH MR. CASEY AFTER MY RETURN TO WASHINGTON FROM ALGIERS. NOW I THINK WE HAVE MORE FLEXIBILITY ON ERRMS AND I AM PLEASED THAT THIS HAS DEVELOPED.
- 23. BOUMEDIENE: WE HOPE THAT MR. CASEY CAN VISIT ALGERIA. WE HAD A SPECIAL RELATIONSHIP WITH MR. KEARNS WHICH WE VALUED. THE NEW PRESIDENT OF THE EXIM BANK HAS NOT BEEN HERE. IT WILL BE USEFUL FOR HIM TO VISIT, TO SEE OUR COUNTRY, TO MEET OUR PEOPLE, AND TO HAVE A DIRECT LOOK AT OUR ECONOMY.
- 24. ROBINSON: I WILL EXTEND AN INVITATION TO MR. CASEY. HE IS A SUPPORTER OF YOUR COUNTRY. PRESENT AND PLANNED LOANS FROM EXIM WILL AMOUNT TO ABOUT \$1 BILLION. THIS WILL MAKE ALGERIA FIFTH IN THE WORLD IN TERMS OF EXIM FINANCING.
- 25. BOUMEDIENE: AS FOR OUR REPAYMENT OF CREDITS THERE APPEARS TO BE NO PROBLEM.
- 26: NONE THAT I KNOW OF. THERE IS A GERNERAL

WILLINGNESS OF U.S. FIRMS TO PARTICIPATE IN YOUR DEVELOPMENT PROCESS.

27. BOUMEDIENE: WE HAVE MANY IMPORTANT PROJECTS IN WHICH THEY CAN PARTICIPATE--IRON AND STEEL IN PARTICULAR. THESE ARE REALLY HUGE AS FAR AS ALGERIA IS CONCERNED.

ROBINSON: I HAVE BEEN INVOLVED IN A SAUDI STEEL PROJECT, AS WELL AS HAVING WORKED IN IRON AND STEEL MUCH OF MY LIFE. I AM AWARE OF HOW MUCH THESE PROJECTS COST.

BOUMEDIENE: THE LOWEST AMOUNT IS \$1 BILLION. ARE THE SAUDIS CONFIDENTIAL.

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TECHNICALLY ABLE TO DIGEST SUCH A LARGE PROJECT?

28: ROBINSON: NOT AS ABLE AS ALGERIA, BUT THE SAUDIS ARE KEEPING THINGS SMALL AND WILL ENLARGE CAPACITY AS NEEDED.

29. BOUMEDIENE: IT IS IMPORTANT FOR YOU TO HELP THEM. THIS WILL CREATE A PERMANENT BASE OF COOPERATION. I KNOW THAT THE U.S. HAS A GREAT DEAL TO OFFER IN TERMS OF TECHNOLOGY. WE ALSO KNOW THAT IT IS EXPENSIVE. I HAVE RECENTLY RECEIVED A STUDY ON AGRICULTIRAL PRODUCTION REQUESTED BY SONATRACH. THE AMOUNT WE PAID FOR IT WAS VERY HIGH--\$1 MILLION--BUT THERE IS A BASIS FOR COOPERATION ON TECHNOLOGY WHICH IS VERY IMPORTANT TO US.

30. AS FOR POLITICAL PROBLEMS, THERE IS NO POLITICAL PROBLEM BETWEEN US. WE HAVE TAKEN AN INDEPENDENT VIEW OF THE WORLD AND SPOKEN WHERE WE THOUGHT IT WAS NECESSARY. IN SOME SITUATIONS WE WERE RIGHT--LIKE INDOCHINA FOR INSTANCE. THERE ARE PROBLEMS WHICH CONCERNED THE COLD WAR AND WE HAVE VIEWS ON THEM. I HAVE READ WITH INTEREST THAT REPRESENTATIVES FROM THE BANK OF AMERICA ARE VISITING NORTH VIETNAM. THIS IS IMPORTANT. NORTH VIETNAM HAS APPLIED TO JOIN THE NON-ALIGNED NATIONS. IT MEANS THAT HAVING FREED THEMSELVES FROM AMERICA THEY NOW WANT TO FREE THEMSELVES FROM THE SOVIET UNION AND CHINA.

GEQC ROBINSON: THAT IS VERY INTERESTING, ON BILATERAL RELATIONS I AGREE THAT WE ARE MOVING TOWARD BETTER UNDERSTANDING.

32. BOUMEDIENE: IT WOULD BE USEFUL IF WE COULD HAVE A SETTLEMENT IN THE MIDDLE EAST SITUATION. THIS IS THE PROJECT OF THE PRESIDENT AND SECRETARY KISSINGER AND I WISH THEM WELL.

33. ROBINSON: I HAVE BEEN WORKING CLOSELY WITH SECRETARY KISSINGER ON THE FINANCIAL PROBLEMS TO PRESERVE STABILITY IN THE EGYPTIAN ECONOMY.

34. BOUMEDIENE: THEY HAVE HUGE ECONOMIC DIFFICULTIES AND MANY ARE PERMANENT. THE POPULATION IS VERY HIGH AND RESOURCES ARE VERY LOW.

35. ROBINSON: BUT WITH ASSISTANCE AND THE WILL TO DO SOMETHING CONFIDENTIAL.

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ABOUT IT WE CAN FIND SOLUTIONS TO THEIR ECONOMIC PROBLEMS. WE HAVE BEEN WORKING WITH A NUMBER OF COUNTRIES TO ACHIEVE THIS.

36. THE QUESTION OF BILATERAL RELATIONS BETWEEN ALGERIA AND THE UNITED STATES RESTS VERY MUCH ON DIALOGUE. MAINTAINING GOOD BILATERAL RELATIONS IS AN IMPORTANT PART OF THE OVER-ALL PROCESS. WE MUST HAVE A CONTINUOUS EFFORT TO DEVELOP BETTER UNDERSTANDING OF OUR PROBLEMS. FOR OUR PART WE ARE TRYING TO DEVELOP A BETTER UNDERSTANDING OF YOUR PROBLEMS.

37. BOUMEDIENE: PLEASE GIVE MY THANKS TO SECRETARY KISSINGER FOR HIS LETTER TO ME. YOU HAVE SEEN MY LETTER TO HIM?

38. ROBINSON: YES. IT WAS A GOOD STEP FORWARD AND IT HAS GIVEN US GREAT ENCOURAGEMENT. WE IN THE INDUSTRIALIZED WORLD HAVE TO CHANGE OUR ATTITUDE TOWARD THE LDC'S. THERE ARE THOSE OF US WHO ARE WORKING HARD TO EXAMINE HOW TO MAKE THOSE CHANGES, AND WHAT CHANGES ARE APPROPRIATE. IT IS IMPORTANT TO UNDERSTAND THAT IT TAKES TIME TO BRING ABOUT A NEW KIND OF RELATIONSHIP. THEREXORE, AS WE BEGIN THIS DIALOGUE, I APPEAL TO YOU FOR UNDERSTANDING THAT THINGS WILL NOT MOVE AS APIDLY AS SOME MIGHT WISH. IT IS A PROCESS OF WORKING OUT ARRANGEMENTS WHICH WE CAN MUTUALLY ACCEPT.

39. BOUMEDIENE: I AGREE. OUR OBJECTIVES IN SOME AREAS DO NOT IMPROVE THE NATIONAL INTEREST OF ALGERIA. TAKE RAW MATERIALS. WE IMPORT MANY RAW MATERIALS BUT WE ARE NOT OF MUCH CONSEQUENCE IN THIS AREA. WE EXPORT OIL AND GAS AND SMALL AMOUNTS OF OTHER GOODS. BUT WHEN WE TALK ABOUT OIL WE CANNOT FORGET ABOUT THE RAW MATERIALS OF OTHER PRODICERS. AS FOR THE NEW INTERNATIONAL ECONOMIC ORDER, THIS IS NOT A DEMAGOGIC DEVICE. WE KNOW THAT THESE THINGS TAKE TIME. BUT WE ALSO BELIEVE THE CHANGE IS ESSENTIAL. CONFRONTAION TODAY IS NOT BETWEEN EAST AND WEST. IT IS BETWEEN NORTH AND SOUTH. THIS IS A NEW ERA IN HUMANITY. FOR EXAMPLE WE SAW THE APOLLO-SOYUZ MEETING IN SPACE AND THE COSMONAUTS GREETING EACH OTHER. THIS COULD NOT HAVE HAPPENED TWENTY YEARS AGO DURING THE COLD WAR. OUR PHILOSOPHY FOLLOWING THE DECOLONIALIZATION PROCESS OF YESTERDAY IS TO TAKE A LESSON FROM THAT PROCESS. SOME SAY THE THIRD WORLD WANTS TO HARM CONFIDENTIAL.

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THE UNITED STATES AND THE INDUSTRIALIZED COUNTRIES BUT
THAT IS NOT TRUE. WE NEED TO WORK WITH YOU AND ON MUTUALLY
SATISFACTORY TERMS. FOR EXAMPLE SOME ALGERIANS 2,000 KILOMETERS
FROM ALGIERS CAN NOW LEARN THROUGH TV. THIS HAPPENED
BECAUSE OF THE U.S. SATELLITE AND YOUR FIRMS WHICH HELPED
TO BUILD IT. WE FEEL DEEPLY THE NECESSITY TO MAKE CERTAIN
CHANGES, BUT WE ALSO FEEL THE NEED FOR COOPERATION WITH THES
INDUSTRIALIZED WORLD. WE WANT ONLY TO SIT DOWN AND TO
DISCUSS OUR DIFFERENCES AND TO FIND THE BEST WAY OF DOING SO.
IT IS IMPORTANT FOR A DIALOGUE WHICH BRINGS US TOGETHER
AND ENABLES US TO CONTINUE DISCUSSIONS. ALGERIA AND OTHER
DEVELOPING COUNTRIES WANT TO DEVELOP THEMSELVES BUT
THEY DO NOT HAVE SUFFICIENT MONEY. THEY NEED TO HAVE
MONEY
TO BUY THINGS FROM YOUR FIRMS.

40. FOR INSTANCE, ZAIRE HAS SUFFERED FROM THE DROP IN THE PRICE OF COPPER AND ITS ECONOMY IS NOT IN A GOOD SITUATION NOW. IF THE SITUATION CONTINUES THAT WAY POLITICAL DIFFERENCES WILL OCCUR AND THERE WILL BE MAJOR INTERNAL TROUBLE IN ZAIRE WITH INTERVENTION BY THE SOVIET UNION AND YOU AND CHINA AND IT WILL BE A DIFFICULT SITUATION THE ONLY THING WE WANT IS FOR YOU TO TAKE INTO CONSIDERATION OUR PROBLEMS.

41. WHEN YOU TALKED ABOUT LIMITING THE NUMBERS AT THE PRODUCERS/CONSUMERRS CONFERENCE WE SAID YES, BUT 10 WAS NOT ENOUGH. BRAZIL CANNOT BE CONSIDERED AS REPRESENTING ALL OF LATIN AMERICA. YOU KNOW ALL THE COMPLEXITIES THERE. ZAIRE CANNOT REPRESENT ALL OF BLAC AFRICA. IN AN OPEC MEETING IN ALGIERS, NIGERIA SAID WE ARE THE BIGGEST COUNTRY IN AFRICA AND PRODUCERS OF OIL, WHY CAN'T WE HAVE A PLACE IN THE PARIS MEETING? THE WORLD IS MADE UP OF DIVERSITY. AS YOU KNOW, THERE IS FRENCH SPEAKING AFRICA AND ENGLISH SPEAKING AFRICA. THERE IS EAST AFRICA AND WEST AFRICA. IN ASIA, INDIA IS A BIG COUNTRY. BUT PAKISTAN WANTS TO BE IN A MEETING IF INDIA IS IN A MEETING. THE PAKS ARE YOUR FRIENDS AND OUR BROTHERS AND INDIA IS OUR FRIEND AND IN THE NON-ALIGNED MOVEMENT. THATHIS WHY WE SAID WE WANTED LARGER NUMBERS. 27 IS A RESPECTABLE NUMBER (RAGM MUHTARAM). WE WOULD LIKE TO HAVE THEM CHOSEN BY THE GROUP OF 77, EVEN WITH 27 THERE WILL BE SOOE PROBLEMS. CONFIDENTIAL

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GRWM AS YOU KNOW THE SOVIET UNION DIDN'T PARTICIPATE AND HAS SOME RESERVATIONS FOR POLITICAL REASONS. THEY ALWAYSWANT

TO USE AID AS A POLITICAL CARD. WE MUST CREATE THE PROPER CLIMATE. OUR GOAL IS TO PUT ALL THE CARDS ON THE TABLE.

43. ROBINSON: I APPRECIATE YOUR VIEW, YOUR COOPERATION AND UNDERSTANDING.

44. BOUMEDIENE: THE UNITED STATES CAN PLAY A HISTORIC ROLE IN THIS PROCESS. IF YOU ARE COOPERATIVE AT EACH STEP OF THE WAY AND MAKE EFFORTS TO ENSURE THAT THE DIALOGUE MOVES FORWARD YOU CAN REALLY BE IN THE VANGUARD OF THE EFFORT TO IMPROVE RELATIONS. TELL THE PRESIDENT AND KISSINGER WE WILL DO OUR BEST TO BE POSITIVE. THAT IS WHAT I HAVE ANSWERED IN THE LETTER RESPONDING TO SECRETARY KISSINGER'S LETTER.

45. ROBINSON: THERE IS A CHINESE PROVERB THAT THE LONGEST JOURNEY BEGINS WITH A SINGLE STEP. LET US TOGETHER TAKE THE STEP TOR A DIALOGUE WHICH IS SO IMPORTANT TO WORKING OUT OUR PROBLEMS.

BOUMEDIENE: WE WILL JOIN WITH YOU IN TAKING THAT STEP. I LOOK FORWARD TO SEEING YOU AGAIN. PARKER

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